

State of Alaska FY2003 Governor's Operating Budget

Department of Natural Resources Performance Measures

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Governor's Key Department-wide Performance Measures for FY2003

Measure:

Commissioner's Office - The revenue generated by the development and sale of natural resources.
Sec 108(b)(4) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

In FY01 \$1.1 billion was received in total revenues.

Benchmark Comparisons:

There is no specific benchmark as we try to maximize the revenues to the state given the price of the commodity.

Background and Strategies:

The department's mission is to develop, conserve, and enhance natural resources for present and future Alaskans. This means that we try to meet the demand of the resource development in a responsible way and optimize our return in today's market but also by keeping an eye out for the future.

Measure:

Recorder's Office - The percentage of maintained daily entry and weekly verification of the on-line grantor/grantee and location indexing process for all documents accepted in the recorder's offices.
Sec 108(b)(2) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Current status: During FY01 the mission and measures for the Recorder's Office were changed by the legislature to reflect the fact that it is unrealistic to achieve full input and verification functions in all offices on the same day that documents are recorded due to the number of remote office locations. Because the new measure (shown above) differs substantially from the indexing measure utilized in the prior three quarters of FY01, the following percentages are provided based only on fourth quarter compliance with the revised indexing measure.

During the fourth quarter of FY01 **the objective of daily input was performed** as follows against a target of 100%:

UCC Central 97%; Fairbanks 95%; Ketchikan 92%; Bethel 92%; Sitka 98%; Anchorage 27%; Palmer 86%; Kenai 97%; and Homer 97%;

Meeting the target were: Juneau 100%; Nome 100%; and Kodiak 100%.

During the fourth quarter of FY01 **the objective of weekly verification completion** was performed as follows against a target of 100%:

Bethel 98%; Nome 97%; and Anchorage 98%;

Meeting the target were: UCC Central 100%; Fairbanks 100%; Juneau 100%; Ketchikan 100%; Sitka 100%; Palmer 100%; Kenai 100%; Homer 100%; and Kodiak 100%.

Benchmark Comparisons:

Many recording facilities in other jurisdictions are able to meet this daily indexing goal as a result of implementing imaging technology.

Background and Strategies:

In order to provide the greatest service to the public, indexing of the public record information needs to be fully

complete at the end of each business day. Many recording facilities in other jurisdictions are able to meet this daily indexing goal as a result of implementing imaging technology. Our new indexing system implemented in 1999 allows indexing information to be made available to the public upon input (our prior system did not contain this feature). The Anchorage office has had the most difficulty meeting the daily input standard due to near record high recording volumes.

A new indexing system implemented in 1999 enabled the component to resolve the massive indexing backlogs that had accrued under the prior system while still processing incoming work at peak levels. Throughout FY00 and FY01, significant improvement occurred in meeting this performance objective. Factors preventing 100 percent compliance in all locations included near record recording volumes, staff shortages, late day recordings, lengthy legal descriptions, communication line problems, heavy customer traffic, and late mail deliveries. While the component has no control over the volume of incoming work, it will continue to strive for improvements in this area.

Measure:

The annual volume of state timber offered for in-state companies and converted to value-added products.
Sec 110(b)(4) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Target:

32.5 MMBF offered for in-state companies and converted value-added products.

Progress:

From FY97 through FY01, DNR sold over 240 timber sales to more than 120 different in-state purchasers to be processed wholly or partially in-state. These sales totaled over 80 MMBF of timber (see table).

Area	Number of state timber sales to Alaskan businesses						# Different Purchasers
	FY 97	FY 98	FY 99	FY 00	FY 01	Total FY97-01	
Southern SE	17	25	14	13	6	75	36
Northern SE	1	7	1	5	13	27	15
Kenai-Kodiak	0	0	1	4	0	5	4
MatSu/SW	4	2	1	4	6	17	10
Fairbanks	21	10	10	19	21	81	46
Delta	7	7	4	10	8	36	14
Tok	0	0	1	4	2	7	6
Statewide Total	50	51	32	59	56	248	128

Note: Some purchasers bought timber from more than one area, therefore the statewide total for the number of different purchasers is less than the sum of the areas.

Benchmark Comparisons:

There is no standard for this measure.

Background and Strategies:

The DNR timber sale program focuses on supporting Alaskan jobs by making timber available for local processors. Competitive and negotiated sales are offered in sizes and locations needed by local processors throughout the state. In Southern Southeast Alaska, all offerings were sold. In most other areas, more timber was offered than was sold. Unsold timber remains available over-the-counter or is re-offered.

Some state timber is exported. Salvaged wood in spruce bark beetle areas will mostly go to export chip markets. A portion of the timber in Southern Southeast value-added sales is pulp or utility wood with no local market. The pulp and utility wood may be exported, while the higher-grade wood is processed in-state.

Measure:

The percentage of fires in full and critical protection categories that are held to less than 10 acres.
Sec 110(b)(7) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Target:

Contain 90% of fires in full and critical protection categories at 10 acres or less.

Progress:

First quarter FY02 on track. In fire season 2001, 271 of 277 fires (99%) of fires in full and critical protection were kept to 10 acres or less. In fire season 2000, 236 of 241 fires (98%) reached the target.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

The Division of Forestry responds to an average of 423 wildland fires annually in its protection area with the exact number and location being unknowns. The most cost-effective response requires adequate preparedness and coordination with the Division's numerous cooperators. The occurrence of wildland/urban interface fires will continue to increase as the population moves to the wooded areas of the state, climatic changes result in longer fire seasons, and serious insect/disease infestations add to the hazardous fuels problem.

Strategies include providing immediate, aggressive initial attack in coordination with cooperating local government, structure fire departments and federal agencies. This strategy includes creating and maintaining cooperative agreements to enhance initial attack response effectiveness. Additional strategies include media coverage of fires to expand public awareness of the impact of human caused fires, support of fire prevention activities, and increased public education on how to create survivable space around private property.

Measure:

Oil & Gas - The number of resident and nonresident private sector jobs in the oil and gas industry in the state.
Sec 111(b)(4) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

According to the State Department of Labor, the statistics on employment in Alaska for oil and gas extraction have increased. Below are annual averages since 1998:

2001 (Jan-Aug)	11,200
2000	10,300
1999	9,400
1998	9,300

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

These figures are available at this site:

http://www.labor.state.ak.us/research/emp_ue/ak95prs.htm

Measure:

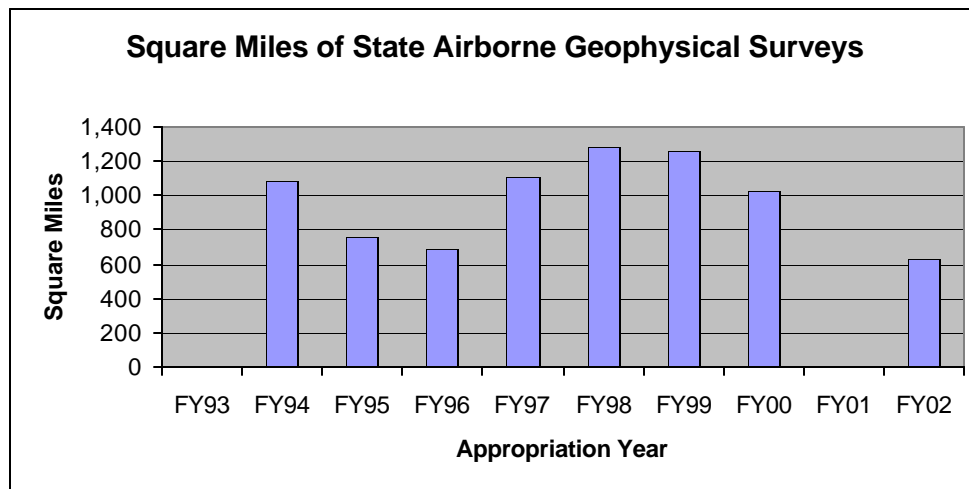
Geological Development - The number of completed geophysical/geological mineral surveys of at least 1000 square miles of Alaska land.

Sec 113(b)(3) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The 1000 square mile is a challenging target given the staff size and funding available to DGGS. In FY2001, DGGS completed 1240 square miles of federally sponsored airborne geophysical surveys and 808 square miles of geological ground-truth mapping.

Because of an approximately 40 percent increase in the cost of airborne geophysical contracts, DGGS will be able to secure only 630 square miles of new airborne geophysical data on state land in 2002. DGGS is on track to release 1000 square miles of combined mineral and energy ground-truth geologic mapping in 2002.

**Benchmark Comparisons:**

There is no benchmark for this measure.

Background and Strategies:

DGGS intends to maintain this performance measure unchanged for FY2003. We are pursuing complementary federal funding and cooperative agreements with federal agencies in an attempt to acquire resources needed to increase the square miles of geologic ground-truth mapping in geophysical survey tracts that can be completed in a fiscal year. The magnitude of the square miles of airborne geophysical surveys that can be completed in one year is a function of CIP appropriations. A tract of 1000 square miles is in good balance with historic funding, public expectations, and a level of commitment that is effective in catalyzing investment in Alaska's mineral industry. Costs of conducting both airborne geophysical surveys and ground-truth geologic surveys have escalated sharply in the last 18 months, in large part because of increased helicopter contract costs. In FY01 the airborne geophysical CIP appropriation was below the threshold needed to conduct a cost efficient survey. Thus no predominantly state-owned mineral tract was surveyed in FY01. DGGS was able to secure a commitment of federal funds to geophysically survey about 1240 square miles of a mixed ownership (federal - Native Corporation - state) land in southwest Alaska. Because of the ownership pattern of that land, however, we do not believe that this airborne geophysical data will have the same impact on exploration investment, as would a survey over predominantly state lands where access is more open and right of tenure is more certain.

Measure:

Parks Management - The level of deferred maintenance in state parks.

Sec 114(b)(5) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

To steadily reduce the identified \$42 million in deferred maintenance and ADA upgrades in the park system.

Inventory of Deferred Maintenance in state parks:

1998 - \$35 million in deferred maintenance identified in division facility summary

2001 - \$42 million in deferred maintenance identified in division facility summary

Funding to address this Deferred Maintenance:

1996 - No funds for maintenance

1997 - \$150.0 in CIP for emergency repairs

1998 - \$200.0 in CIP for emergency repairs

1999 - \$200.0 in CIP for emergency repairs

2000 - \$200.0 in CIP for emergency repairs

2001 - \$286.0 in CIP for emergency repairs

2001 - \$168.0 in CIP for Park upgrades

2002 - \$286.0 in CIP for emergency repairs

At the current rate of funding our inventory of deferred maintenance will continue to grow.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

Parks has been unable to address this growing backlog due to lack of CIP funds. For the years 1996 to 2002, Parks averaged only \$212.0 annually in the capital budget for deferred maintenance and then only for those repairs tied to health and human safety. Some facilities that are along a highway corridor can be upgraded with Federal Highway - TEA 21 funds so long as we fit the TEA 21 criteria. Campgrounds CANNOT be built or upgraded with TEA 21 funds. Parks has been successful in addressing some of its needs through this channel and will continue to do so. Facilities that involve powerboat and angler access can be fixed with our partnership with ADF&G for federal sportfish access funds for boat launch ramps.

Funds from TEA 21 and ADF&G, however, do not cover the majority of our deferred maintenance needs. Parks needs significant funds dedicated to this problem. The use of federal Land & water Conservation fund moneys can only be used for facility development if the state provides a 50% match. In addition to LWCF, Parks could address these problems through funds raised by bonds.

Management and Administration Budget Request Unit

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Key Performance Measures for FY2003

Measure:

Commissioner's Office - The percentage of divisions that meet the assigned performance measures.
Sec 108(b)(1) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The department will meet 97.7% of their assigned performance measures reporting requirements. We are unable to report on the legislative measure in SLA2001, Ch90, Sec 115(b)(3) - "The percentage of total available agricultural acreage placed in production", since statistics are not available to accomplish this as written.

Although there is no official target provided by the legislature, which relates to the funding provided, the department attempts to meet all of its performance measures. Some of the measures are not readily available so we estimate them until a more formal study or report can be completed.

The Commissioner's Office has been collected data for the past few years on the divisions' performance measures and adjustments are made as needed.

Benchmark Comparisons:

The department hopes to measure up well against other departments and figure once a benchmark is established we will meet or exceed it.

Background and Strategies:

The department started the Performance Measures process several years ago and has statistical data to report on performance. There are detailed reports available to the Commissioner to see the patterns based on funding level compared to production level.

The overall outcomes are what we are most concerned with and are standing by to work with user groups, the Legislature, and the Administration to further refine our performance measures.

Measure:

Commissioner's Office - The revenue generated by the development and sale of natural resources.
Sec 108(b)(4) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

In FY01 \$1.1 billion was received in total revenues.

Benchmark Comparisons:

There is no specific benchmark as we try to maximize the revenues to the state given the price of the commodity.

Background and Strategies:

The department's mission is to develop, conserve, and enhance natural resources for present and future Alaskans. This means that we try to meet the demand of the resource development in a responsible way and optimize our return in today's market but also by keeping an eye out for the future.

Measure:

Commissioner's Office - The average time taken to respond to complaints and questions that have been elevated to the commissioner's office.
Sec 108(b)(5) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The department tracks formal correspondence through a Correspondence Tracking System (CTS). We do not track

phone calls coming to the commissioner's office.

In FY01 it took an average of 15 days for the department to respond to items track in the CTS.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

The department tries to respond to our customers as quickly as possible.

Measure:

Commissioner's Office - The average time taken to respond to appeals and reconsiderations that have been elevated from the divisions to the commissioner's office.

Sec 108(b)(6) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

This is the first year we are trying to measure our performance. The average response time is 29.2 days.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

The department has regulations which set the criteria for us to respond to appeals and reconsiderations, which have been elevated to the commissioner's office.

Measure:

Administrative Services - The average time taken to pay vendors.

Sec 109(b)(1) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

In FY01 the average vendor payment time was 24.2 days.

Benchmark Comparisons:

The standard for average vendor payment time is 30 days, before late charges and penalties are assessed.

Background and Strategies:

The strategy is for the department to pay the vendor community within 30 days, this helps both the State and the vendor community with their cash flow. Our goal is to not incur any penalty or late payment interest charges.

Measure:

Administrative Services - The number of late penalties for payroll.

Sec 109(b)(2) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

We currently do not have any penalties for late payroll payments.

The goal is to have NO penalties for late payroll payments.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

The most important issue for employees is to receive their paychecks on time and in the correct amount. We strive very hard to make sure all paychecks are mailed timely and that they are calculated correctly as this is good for morale and productivity.

Measure:

Administrative Services - The number of audit exceptions.
Sec 109(b)(3) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The Department just received a "clean" Legislative Audit Report for the department's financial audit for the general fund activity for FY00. (report #10-10000-00)

Benchmark Comparisons:

The ideal is NO audit exceptions!

Background and Strategies:

An independent measure of the Administrative Services functions' success is a "clean" audit by Legislative Audit. Our strategy is to have all accounting, payroll, and procurement actions comply with state rules and regulations and generally acceptable accounting and business practices.

Measure:

Administrative Services - The cost of administrative services as compared to the total personnel costs for the department.
Sec 109(b)(4) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The total Administrative Services Component cost for DNR in FY01 was \$2.2 million, as compared to the total personnel cost for the department of \$50.7 million. Using these numbers the administrative services rate is 4.34%.

Benchmark Comparisons:

There is no benchmark as all the Administrative Service Components and Departments have different functions and requirements.

Background and Strategies:

In DNR the Administrative Service Component includes the Anchorage Revenue Accounting and Billing Unit. This Unit is responsible for collecting and accounting for the department's \$1.1 billion in revenues from all its varied operations. We deal with a broad variety of revenues, from collecting the Oil & Gas Royalties, to billing for all the land contracts and leases, to mining claim rentals, water rights, park fees etc.

The overall strategy within DNR is to keep the Administrative Services Cost as low as possible in order to maximize the funding going directly to programs delivering services to the public and the industries we serve.

Measure:

Public Services Office - Number of customers assisted in person.

Alaska's Target & Progress:

Over 25,000 customers were assisted in FY01, a 67% increase from FY00. FY02 figures are above average.

Benchmark Comparisons:

Historical data indicates an average of 15,000 customers are served in person on an annual basis.

Background and Strategies:

The Public Information Center was created several years ago by combining all the service counters from each division into one central location. This makes the public interface much more efficient for the customer and creates efficiencies for other DNR employees. The Public Information Centers take in payments, process applications, assist the customers with research, and refer people to the proper DNR contacts or other agencies.

Measure:

Public Services Office - Number of customers assisted by the PIC web pages.

Alaska's Target & Progress:

In FY01, the PIC web site received 48,000 unique visits. Web visit frequency continues to increase.

Benchmark Comparisons:

Approximately 40,000 customers are served by the PIC web pages annually. The entire DNR website received over 192,000 unique visits during FY01.

Background and Strategies:

As the public becomes more literate with computers and the Internet, DNR seeks to utilize this tool to disseminate information and to conduct business processes. With Alaska residents as disperse as they are in this big state, we must utilize current technologies to better serve our remote clientele. The Public Information Center still plays a key role in this Internet interface with the public, as people still need assistance in finding what they seek. The PIC staff will continue to make the front door pages of DNR's web pages as user friendly, informative and efficient as possible.

DNR offers many services on the Internet. Land records, plats, geologic reports, and other research tools are available. Customers can make bill payments on line for many contractual services and mining claims. Our land sale programs utilize the Internet to distribute brochures and other pertinent information. Many applications, fact sheets and other program information are available for customers. We are currently developing ways to accept applications on line to reduce paper handling and to provide a better service to customers.

Information/Data Management Budget Request Unit

Contact: Nico Bus, Administrative Services Manager

Tel: (907) 465-2406 **Fax:** (907) 465-3886 **E-mail:** nico_bus@dnr.state.ak.us

Key Performance Measures for FY2003

Measure:

Recorder's Office - The percentage of maintained daily entry and weekly verification of the on-line grantor/grantee and location indexing process for all documents accepted in the recorder's offices.

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Alaska's Target & Progress:

Current status: During FY01 the mission and measures for the Recorder's Office were changed by the legislature to reflect the fact that it is unrealistic to achieve full input and verification functions in all offices on the same day that documents are recorded due to the number of remote office locations. Because the new measure (shown above) differs substantially from the indexing measure utilized in the prior three quarters of FY01, the following percentages are provided based only on fourth quarter compliance with the revised indexing measure.

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Meeting the target were: Juneau 100%; Nome 100%; and Kodiak 100%.

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Benchmark Comparisons:

Many recording facilities in other jurisdictions are able to meet this daily indexing goal as a result of implementing imaging technology.

Background and Strategies:

In order to provide the greatest service to the public, indexing of the public record information needs to be fully complete at the end of each business day. Many recording facilities in other jurisdictions are able to meet this daily indexing goal as a result of implementing imaging technology. Our new indexing system implemented in 1999 allows indexing information to be made available to the public upon input (our prior system did not contain this feature). The Anchorage office has had the most difficulty meeting the daily input standard due to near record high recording volumes.

A new indexing system implemented in 1999 enabled the component to resolve the massive indexing backlogs that had accrued under the prior system while still processing incoming work at peak levels. Throughout FY00 and FY01, significant improvement occurred in meeting this performance objective. Factors preventing 100 percent compliance in all locations included near record recording volumes, staff shortages, late day recordings, lengthy legal descriptions, communication line problems, heavy customer traffic, and late mail deliveries. While the component has no control over the volume of incoming work, it will continue to strive for improvements in this area.

Measure:

Information Resource Management - The percentage of time the computer systems are unable to support the annual volume of land and recorded transactions.

Sec 108(b)(3) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Released December 15th
12/18/2001 4:29

FY2003 Governor
Department of Natural Resources

System availability was at an all time high. The system was available during normal business hours 99.75 % of the time. Unscheduled outages for transaction processing resulted in less than a quarter of a percent of downtime due to internal DNR network issues. Outages resulting from issues related to the Dept. of Administration Wide Area Network were more common but outside DNR control. Overall system downtime was minimized. Scheduled downtimes for maintenance typically occur on Saturdays with little or no impact to staff.

Benchmark Comparisons:

The benchmark represents a three-year average for transactions for both LAS and the Recorders Office.

Revenue and Billing transactions are ~ 220,000

Land Administration System transactions - 100,000, of which 18,000 require status plat updates.

Transactions can be for:

Land Titles, classifications, Surveys, Land sales, leases, home sites, easements, Rights-of-Way, Municipal Entitlements, Mining Claims & leases, Oil & Gas Leases, Timber Sales, Water Rights, RS2477, receipts for a variety of programs, etc.

Background and Strategies:

Automation in high transaction environments is highly cost effective. Information Resource Management (IRM's) strategy is to reduce update cycle time by sharing information between historically isolated systems and to continue to reduce operating costs. Significant operational gains were made by linking recording, LAS, and platting systems for mining applications.

Measure:

Recorder's Office - Maintain return of original documents to the public within 30 days of recording.

Alaska's Target & Progress:

During the fourth quarter of FY01, this performance objective was met 100% of the time in Kenai, Homer, Kodiak, Juneau and Sitka. Fairbanks was in compliance 84% of the time; Ketchikan 98%; Anchorage 41%; Palmer 67%; Nome 94% and Bethel 92%. Severe staff shortages in various locations severely hampered the component's ability to maintain currency in this function.

With turnaround times frequently exceeding 2 to 3 months, the component's recording offices have one of the worst delays in the nation in returning original documents. While much of this can be attributed to mail delays and to the logistics of operating remote facilities in the largest state in the nation, the fact is that even a 30 day turnaround time is one of the worst delays in the nation.

Benchmark Comparisons:

We estimate that the national norm for returning original documents is two weeks.

Background and Strategies:

Up to a quarter million documents are returned by the component to its customers each year. A document recording transaction cannot be considered complete until the document has been returned from the recording office. Return of the document is positive proof that the recording has occurred, and serves as the source of information that is required in the case of mortgages and deeds of trust for assignment and release of the security interest in the future. More and more loans are being sold on the secondary market, and the numbers of out of state lenders are increasing. Delays in returning original documents to them can cause them considerable expense and delays in their own operations.

Technology holds the key to making improvements in meeting this performance measure. With imaging technology, the original documents could frequently be returned immediately to the customer upon recording. Absent improvements in technology, or additional staffing to handle these backlogs, the component will likely continue to accrue unmanageable backlogs in this function.

Measure:

Recorder's Office - Maintain record search completion time of 24 to 48 hours from the time of receipt of request.

Alaska's Target & Progress:

By the end of the fourth quarter of FY01, this objective was being met 100% of the time by; Palmer; Kenai; Kodiak; Homer; Bethel; Nome; Juneau; Sitka; 98% by Fairbanks; 91% by Ketchikan; 80% by Anchorage; and 59% by UCC Central.

The difficulty in meeting this objective in UCC Central and in Anchorage was due primarily to the surge in search activity that occurred at the end of FY01 just prior to implementation of the new UCC laws in July.

Benchmark Comparisons:

Completion and certification of Uniform Commercial Code search results is a statutorily required function. Searches cannot be prepared and certified until prior day indexing has been completed. A 48-hour turnaround on searches is the national standard utilized in most recording/filing offices throughout the country.

Background and Strategies:

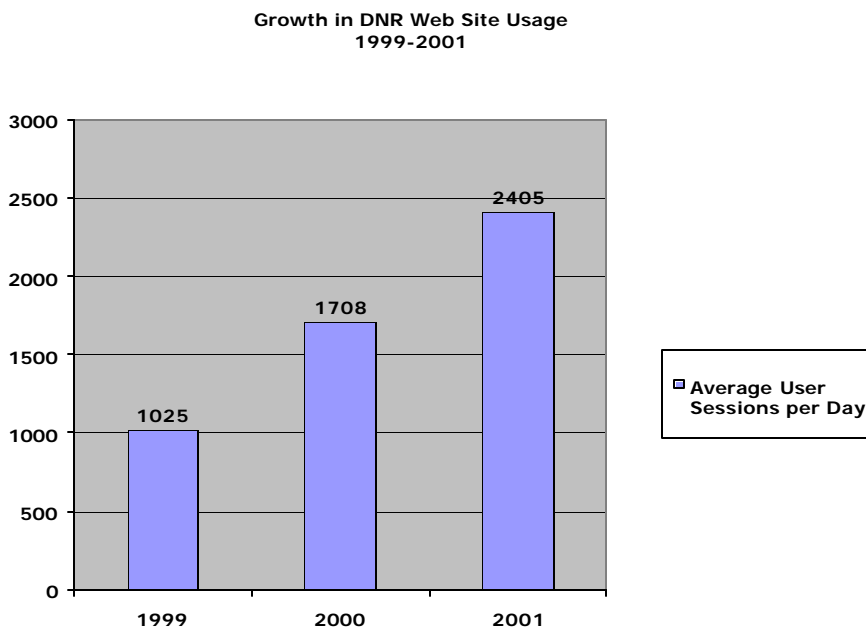
Searches fall into a backlog status after 48 hours. Whenever indexing delays exceed that time frame, the component is unable to prepare and certify search results. With the implementation of the new indexing system in January 1999, the component was able to report considerable improvement in meeting this objective. Since searches are tied to the indexing function, failure to complete daily indexing automatically results in delays of search products. While the component has no control over the volume of incoming work, it will continue to work toward improvements in meeting this performance measure.

Measure:

Information Resource Management - 10% increase of public use of Department home pages on the Internet.

Alaska's Target & Progress:

Results: This goal was exceeded - growth in total web site usage jumped 40% in the past fiscal year, and more than 134% in two years time.



Benchmark Comparisons:

FY00-01 DNR Internet Web Statistics show average daily visits have grown from 1025 in July 1999, to 1708 visits / day in July 2000, to 2405 visits per day in July 2001. Clearly more people are deriving services on-line from DNR, which saves staff time and raises the overall service level of the department.

Background and Strategies:

As Internet information systems expand we expect increased ability by the public to fulfill their information and business transaction needs by interacting directly with DNR information systems and not DNR staff. This approach will save the Department time and effort and provide convenience to our customers.

Resource Development Budget Request Unit

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Key Performance Measures for FY2003

Measure:

EFF Non-emergency Projects - Use of emergency firefighter personnel for non-emergency hazard fuel reduction and habitat improvement projects where funding is available.

Alaska's Target & Progress:

The target is to use emergency firefighter personnel for non-emergency hazard fuel reduction and habitat improvement projects where funding is available.

EFF crews from the Mat/Su and Kenai areas, and the Tazlina Hotshot crew, were utilized during FY01 by cooperating municipal and federal agencies. There is interest by the Municipality of Anchorage and the Kenai Peninsula Borough in using them again in FY03.

Benchmark Comparisons:

No benchmark comparisons because no other states use emergency firefighters for non-emergency projects.

Background and Strategies:

Wildland fire and wildland/urban interface risks can be mitigated through projects that utilize federal, municipal, or other funding while concurrently providing employment and experience to Type II EFF crews. Forestry has used a strategy of using emergency firefighters for non-emergency hazard fuel reduction and habitat improvement projects on the Kenai Peninsula and the Municipality of Anchorage.

Use of trained and experienced village EFF crews and individual EFF for hazard fuel reduction, prescribed fire and other resource management projects supports the Governor's goal of increasing employment opportunities for Alaskans. It also improves wildlife habitat and reduces potential wildland fire threats to the citizens of Alaska, structures and other high value resources.

Utilizing EFF crews for non-emergency hazard fuel reduction and other prescribed fire projects provides opportunities for crews to work together enhancing their skills for wildland fire assignments and provides needed revenue into the rural communities of Alaska.

BRU/Component: Forest Management and Development

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

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Key Performance Measures for FY2003

Measure:

The level of compliance with AS 41.17 (Forest Resources and Practices Act).
Sec 110(b)(1) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Targets

- 100% Detailed Plans of Operations (DPOs) reviewed timely (report the # reviewed timely/# due for review in this year)
- 100% compliance with FRPA best management practices based on implementation monitoring (Note: data is available for Regions I and II only)
- 100% of forest land meeting reforestation requirements

Progress

On track for review of DPOs. The most recent implementation monitoring data is for 1999 sampling in Region I (coastal Alaska). Overall compliance with best management practices was 92% for road construction and maintenance, and material and disposal sites; 85% for crossing structures; and 95% for harvesting. Data for 2001 sampling in Region I and Region II (south central Alaska) is currently being analyzed. Reforestation compliance is 100% in Region I. In Region II and Region III some lands are out of compliance, particularly in areas with low value timber and high costs of reforestation. DNR is working with landowners to achieve compliance on these lands and improve tracking of reforestation on private land.

Benchmark Comparisons:

Forest Resources and Practices Act (FRPA) continues to be certified for compliance with federal Clean Water Act and Coastal Zone Management requirements

Background and Strategies:

The FRPA supports the timber and fishing industries by protecting fish habitat and water quality, and providing one-stop shopping to the timber industry for compliance with federal clean water and coastal zone standards. Strategies include reviewing DPOs timely, increasing the ratio of inspections to DPOs received, training landowners and operators in implementation, updating riparian management standards for Interior Alaska (HB 131) and South central Alaska, expanding implementation monitoring statewide, reviewing and improving procedures for documenting reforestation in Interior Alaska, and if violations occur, working with directives and other enforcement actions to correct any problems.

Measure:

The annual volume of state timber sold as compared to the amount offered for sale.
Sec 110(b)(2) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Targets

- 45.9 MMBF offered (including re-offers and over-the-counter sales). This includes 44.6 MMBF from the operating budget and 1.6 MMBF from CIP sales.
- 40.8 MMBF sold

Progress

DNR offered 32.5 MMBF for sale in FY01, and sold 7.7 MMBF. Sales were considerably below offerings in northern southeast Alaska, on the Kenai Peninsula, and in the Fairbanks area due to weak markets, especially for salvage timber in spruce beetle areas.

Benchmark Comparisons:

There is no benchmark for this measure.

The DNR timber sale program focuses on supporting Alaskan jobs by making timber available for local processors. Competitive and negotiated sales are offered in sizes and locations needed by local processors throughout the state.

Where feasible, the department also offers salvage sales of timber damaged by fire, bark beetles, or other pests. Salvage sales are designed to reduce wildfire hazards, accelerate reforestation and defray its cost, and capture economic value before the wood decays. Salvage timber may be used locally or exported. The projected volume of sales is somewhat less than the total volume of timber offered because markets are weak for salvage sales, particularly over-the-counter sales and re-offers. However, DNR wants to keep salvage timber offerings available to achieve the benefits of harvesting and reforestation where possible.

DNR projects that FY03 offerings and sales will be greater than the FY01 results. The increase reflects additional offerings in Southern Southeast Alaska, where demand exceeds supply, offering of a large value-added sale near Tok (AS 38.0.123), and significant over-the-counter offerings and re-offers of unsold timber in Northern Southeast and the Copper River areas. This increase is also supported by the FY02 increment in program receipt funding for removing barriers to value-added sales.

There is no standard performance level for this target. Sale levels depend on the sustainable harvest level in each area, timber type and condition, and markets. State sales vary by area. For example, in Southern Southeast Alaska, DNR plans to offer the full allowable cut for sale, and demand exceeds supply. In Interior Alaska, state timber offerings exceed current demand. Unsold sales continue to be available over-the-counter.

Measure:

The acreage of

- (A) state forest land with active insect infestations or diseases;
- (B) infested or diseased timber offered for sale on state land; and
- (C) infested or diseased timber sold on state land.

Sec 110(b)(3) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Targets

1,421 acres of infested or diseased timber offered for sale on state land

1,218 acres of infested or diseased timber sold on state land

Progress

In FY 01, 1,853 acres of beetle-killed or infested timber was offered for sale in the Haines and Kenai areas, but only 52 acres were sold due to weak markets for salvage timber. Even at a sale price of \$1/MBF, many sales have no purchasers. DNR continues to offer salvage timber for sale. Since FY94, in the Kenai area alone, 10,892 acres of infested timber have been offered for sale, and 10,348 acres have been purchased. However, not all of the purchased timber has been harvested, and some unharvested sales have been returned to the state, were re-offered, and were not purchased.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

Where feasible, the department offers salvage sales of infested or diseased timber. Salvage sales are designed to reduce wildfire hazards, accelerate reforestation and defray its cost, and capture economic value before the wood decays. Salvage timber may be used locally or exported. In recent years, weak markets for timber, especially beetle-killed timber – have been weak and many salvage sales had no bidders. Unsold offerings continue to be available over-the-counter or are re-offered.

There is no target for the acreage of infested or diseased land. The extent of infestations is largely controlled by climate and stand condition. Many infested forests are in parts of the state that have no road access or commercial markets, and are not actively managed.

The projected acreage of timber sold is somewhat less than the total acreage offered because markets are weak for salvage sales, particularly over-the-counter sales and re-offers. However, DNR wants to keep salvage timber offerings available to achieve the benefits of harvesting and reforestation where possible. For FY03, DNR is requesting that the intent of an existing timber salvage CIP for the Kenai area be changed to allow us to target salvage to reduce fire

hazards and defray reforestation costs that are a barrier for some sales. The original CIP specified that the funds be used on four large salvage sales that are not economically feasible in the current market.

There is no standard for the amount of infested or diseased timber offered or sold. Amounts offered and sold depend on the extent, location, and type of infestations and the market demand for the infested timber. Markets for infested timber are weak, reflecting both generally weak markets for Alaskan timber, especially in interior and south central Alaska, and reduced value of infested timber.

Measure:

The annual volume of state timber offered for in-state companies and converted to value-added products.
Sec 110(b)(4) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Target:

32.5 MMBF offered for in-state companies and converted value-added products.

Progress:

From FY97 through FY01, DNR sold over 240 timber sales to more than 120 different in-state purchasers to be processed wholly or partially in-state. These sales totaled over 80 MMBF of timber (see table).

Area	Number of state timber sales to Alaskan businesses					Total FY97-01	# Different Purchasers
	FY 97	FY 98	FY 99	FY 00	FY 01		
Southern SE	17	25	14	13	6	75	36
Northern SE	1	7	1	5	13	27	15
Kenai-Kodiak	0	0	1	4	0	5	4
MatSu/SW	4	2	1	4	6	17	10
Fairbanks	21	10	10	19	21	81	46
Delta	7	7	4	10	8	36	14
Tok	0	0	1	4	2	7	6
Statewide Total	50	51	32	59	56	248	128

Note: Some purchasers bought timber from more than one area, therefore the statewide total for the number of different purchasers is less than the sum of the areas.

Benchmark Comparisons:

There is no standard for this measure.

Background and Strategies:

The DNR timber sale program focuses on supporting Alaskan jobs by making timber available for local processors. Competitive and negotiated sales are offered in sizes and locations needed by local processors throughout the state. In Southern Southeast Alaska, all offerings were sold. In most other areas, more timber was offered than was sold. Unsold timber remains available over-the-counter or is re-offered.

Some state timber is exported. Salvaged wood in spruce bark beetle areas will mostly go to export chip markets. A portion of the timber in Southern Southeast value-added sales is pulp or utility wood with no local market. The pulp and utility wood may be exported, while the higher-grade wood is processed in-state.

Measure:

The total costs to the division per board foot sold.
Sec 110(b)(5) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Target:

\$20.80/MBF offered for in-state companies and converted value-added products.

Progress:

Projected costs for FY03 are slightly higher than those for FY02 due to a slight increase in the proportion of timber expected to be sold from south central where sale preparation costs/MBF are higher due to low volumes per acre. In SE small sizes don't require advertising or Forest Land Use Plans.

Benchmark Comparisons:

There is no standard for this measure.

Background and Strategies:

DNR strives for efficiency in the preparation, sale, administration, and reforestation of timber sales. Improvements in technology, such as increased use of GPS systems and links between GPS use and GIS mapping are used to increase per capita productivity over the years. To keep costs down, personnel from different area offices are combined into layout teams to prepare high priority sales, and cross-training between fire and forest management staff allows use of seasonal fire staff to assist on timber sale projects when available.

Costs per MBF sold will vary by available access, topography, timber type, sale size, reforestation needs, and market fluctuations. Annual figures on the amount of timber sold are also complex because some costs occur prior to the sale year (e.g., layout, planning, and advertising), and some costs occur after the sale year (e.g., contract administration and reforestation). In weak markets some timber offered for sale will not be purchased at the initial offering, but may be purchased over-the-counter over the next two years. For these reasons, figures on cost/MBF sold should be considered rough numbers, and changes in the number are likely to reflect changes in markets, sale size, or location rather than changes in operating efficiency. The department's emphasis on providing wood for local, value-added processors, increases some costs, because most processors are small operations, and their demand is for small sales. Small sales cost more per unit volume to offer and administer than large sales.

The projected cost/MBF is an average statewide figure. Actual cost will vary by the location, access, sale size, and volume/acre of sales that are actually purchased. This figure includes costs of sale design and road layout, mapping, cruising, appraisal, contract preparation and administration; preparation and distribution of Forest Land Use Plans, Coastal Consistency Determinations, and best interest findings; and auction costs, including advertising. It does not include overhead costs or reforestation and thinning costs, which are part of basic, long-term forest stewardship, and are not attributable to individual sales. Costs are estimated based on typical sale costs rather than by time logs for each sale.

Measure:

The number of fires that result from human actions, whether as a function of population growth or other causes.
Sec 110(b)(6) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:**Target**

Reduce human caused fires in the state's protection area. In fire season 2000, 260 of the 299 fires were human-caused.

Progress

On track -- so far in FY 02, 42 fires have been reported, of which 38 are human caused.

This is a reduction of the number of human caused fires from fire season 1999 which was 302 human caused fires.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

Humans cause approximately 84 percent of the wild land fires occurring each season in the Division's protection area. Strategies include maintaining an aggressive wildland fire prevention program and continued support of the survivable space and FIREWISE concepts in an effort to reduce the overall percentage of human-caused fires.

Measure:

The percentage of fires in full and critical protection categories that are held to less than 10 acres.
Sec 110(b)(7) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Target:

Contain 90% of fires in full and critical protection categories at 10 acres or less.

Progress:

First quarter FY02 on track. In fire season 2001, 271 of 277 fires (99%) of fires in full and critical protection were kept to 10 acres or less. In fire season 2000, 236 of 241 fires (98%) reached the target.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

The Division of Forestry responds to an average of 423 wildland fires annually in its protection area with the exact number and location being unknowns. The most cost-effective response requires adequate preparedness and coordination with the Division's numerous cooperators. The occurrence of wildland/urban interface fires will continue to increase as the population moves to the wooded areas of the state, climatic changes result in longer fire seasons, and serious insect/disease infestations add to the hazardous fuels problem.

Strategies include providing immediate, aggressive initial attack in coordination with cooperating local government, structure fire departments and federal agencies. This strategy includes creating and maintaining cooperative agreements to enhance initial attack response effectiveness. Additional strategies include media coverage of fires to expand public awareness of the impact of human caused fires, support of fire prevention activities, and increased public education on how to create survivable space around private property.

Oil and Gas Development Budget Request Unit

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Key Performance Measures for FY2003

Measure:

Oil & Gas - Compliance with the areawide leasing plan and exploration licensing.
Sec 111(b)(1) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The division is 100% in compliance with this measure.

Since 1979, when the modern oil and gas leasing program began, the division has averaged 2.7 lease sales per fiscal year. In the Five-Year Oil and Gas Leasing Program to be released in January 2002, the division has scheduled four lease sales per fiscal year through FY 06. In addition, the division issued its first exploration license during FY 01, and has three license applications in progress.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

The division conducted five lease sales and issued the state's first exploration license during FY 01. We have four lease sales scheduled for FY 02 and three license applications are in progress.

Measure:

Oil & Gas - The percentage of available state acreage offered for oil and gas leasing, or for exploration.
Sec 111(b)(2) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

One hundred percent of available state acreage in Cook Inlet, Beaufort Sea, and the North Slope were offered for leasing in FY01. All available state land is open for exploration licensing.

During FY01 the division: 1) held five lease sales (Beaufort Sea, North Slope, North Slope Foothills, and Cook Inlet), and leased over 1.8 million acres; 2) issued the first exploration license for 318,756 acres (Copper River basin); and 3) issued four shallow natural gas leases in the vicinity of the Red Dog Mine covering 23,040 acres.

During the first half of FY02 the division leased 530,560 acres in two area wide sales (with two more scheduled for the fourth quarter) and issued shallow natural gas leases covering 1,031,680 acres.

The division is 100% in compliance with this measure.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

All available state land is made available through our leasing or licensing programs. During FY01 the division began utilizing a privately owned website (IndigoPool.com) to advertise its lease sales and solicit competing exploration license proposals.

Measure:

Oil & Gas - The revenue received for total state production of oil and gas.
Sec 111(b)(3) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

In FY01, the division collected \$1.1 billion in revenues, compared to \$1.0 billion in FY00.

Benchmark Comparisons:

There is no benchmark for this measure.

The department's strategies include aggressive monitoring of oil and gas markets, thorough auditing, and periodic reopening of settlement agreements, as well as entering new settlement agreements where advantageous to the state, all for the purpose of maximizing royalty revenues.

The annual revenues received are continually updated on our website.
<http://www.dog.dnr.state.ak.us/oil/>

Measure:

Oil & Gas - The number of resident and nonresident private sector jobs in the oil and gas industry in the state.
Sec 111(b)(4) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

According to the State Department of Labor, the statistics on employment in Alaska for oil and gas extraction have increased. Below are annual averages since 1998:

2001 (Jan-Aug)	11,200
2000	10,300
1999	9,400
1998	9,300

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

These figures are available at this site:

http://www.labor.state.ak.us/research/emp_ue/ak95prs.htm

Measure:

Oil & Gas - The number of new and assigned oil and gas rights, plans, and units.
Sec 111(b)(5) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The division does not control the number of applications filed by industry. This past year the division has been inundated with industry applications for assignment of leases and the formation and expansion of units and participating areas. In FY01, the division processed 1356 oil and gas lease assignment requests. The division is on track to process this year's assignments. Last year the division administered 30 unit agreements containing 47 participating areas. There currently are 37 units and 50 participating areas in the state with several applications pending.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

Delays in issuing leases result in losses of rental revenues to the state, delays in exploration and development projects, and possibly cancellation of exploration programs. Prompt assignment approvals are important for royalty accounting and lease administration. Prompt approvals of unit applications are important in assuring the maximum responsible exploration and development of oil and gas resources, as well as maximizing royalty revenue collection.

In FY01, the division received an increment of \$400,000 to clear the backlog in assignments and unit actions. There is no longer a backlog in assignments or units, though demands placed on staff remain high and many staff members are still working overtime to keep the workload current. Moreover, the number of assignments and unit actions expected for FY02 will exceed that for FY01, creating another backlog.

The Division of Oil and Gas strategies are to:

- 1) Issue new leases oil and gas leases three to four months after a lease sale or a shallow gas application is filed;
- 2) To promptly adjudicate lease assignments;
- 3) Keep up with the increasing numbers of unit-related applications;
- 4) Approve only those assignments of interest and unit-related actions that are in the state's best interest; and
- 5) Maximize revenue to the state.

Minerals, Land, and Water Development Budget Request Unit

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Key Performance Measures for FY2003

Measure:

Claims, Permits & Leases - The number of leases and permits issued for public and private use of state land.
Sec 112(b)(1) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The Division operates 31 separate programs, most of which involve a permit, lease, or other authorization. The Division reports specific performance measures for each program on a separate report too large to include here. Detailed spreadsheets on these measures are available upon request from DNR Admin Services Manager (Nico Bus 465-2406).

Benchmark Comparisons:

No specific benchmarks are provided as each of the many different types of permits and leases are unique.

Background and Strategies:

The strategy is to provide more revenue to the state than it cost this program to operate. Put another way, the Division more than pays itself. Its operations provide a return to the general fund and deposit money into the permanent fund. (Revenues included in this calculation do not include those that occur through another department or division: i.e., taxes of any sort, oil and gas royalties, timber stumpage fees, etc.)

Measure:

Claims, Permits & Leases - The number of private-sector jobs created by the issuance of new permits for mining.
Sec 112(b)(2) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The most recent year for which data is available is calendar year 2000. At that time mine employment was 3,183 private sector mining jobs.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

The Division's role in creating private-sector mining jobs is to provide secure land tenure for the industry, and to maintain a high quality permitting system that is efficient for the industry, protects public resources and appropriately involves the public in decisions that affects them. One of the Division's successes last year was to decrease the processing time for new mineral locations from an unacceptable 12-week time to just two weeks. This improvement in service increases the industry's ability to rely on state information to maintain their land tenure, and create more jobs.

Measure:

Land Sales & Municipal Entitlements - The number of acres of land conveyed to municipalities compared to total municipal entitlement.
Sec 112(b)(3) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

In FY 01, DNR transferred 16,677 acres to 10 municipalities. In FY 02 DNR expects to transfer at least 12,000 acres to municipalities. However, assuming a proposed increment to the municipal entitlement program is funded, during FY 03 the department expects to begin accelerating municipal entitlement transfers. If this occurs, the DNR estimates that it will transfer 60,000 acres to 12 municipalities in FY 04 and subsequent years.

Benchmark Comparisons:

There is no benchmark for this measure.

This program transfers state land to municipalities for development, disposal, revenue generation and public purposes. Tasks include: determine acreage of entitlements under AS 29.65, approve municipal selections, issue deeds to municipalities, and identify and classify land for municipal ownership.

Having a secure land base is an important economic development tool for municipalities, and not knowing the eventual land ownership patterns can frustrate development generally. At present rate of conveyance, 12,000 acres per year, DNR will not complete conveyance on the 600,000-acre backlog for approximately 50 years.

An increment is being proposed to fund a comprehensive, public process to determine what land should be reclassified and made available for borough ownership. The six boroughs with the major entitlements backlog are Aleutians East, Lake and Peninsula, Denali, Northwest Arctic, North Slope, and Yakutat. DNR would use added staff to process the borough's selections and revise land use plans to enable additional lands to be conveyed to these boroughs. The three existing municipal entitlement staff are processing higher priority parcels; the existing planning staff are assigned to priority planning projects that enable development in unplanned areas of the state. With this increment, DNR would transfer management of 60,000 acres to these boroughs beginning in FY 04. This would allow DNR to eliminate the present backlog within the decade.

Measure:

Land Sales & Municipal Entitlements - The percentage change in the number of acres of land sold and the revenue generated from land sales and leases.

Sec 112(b)(4) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

In FY 02, the Division offered 2,410 subdivision lots (re-offers of parcels previously surveyed), and 297 remote recreation cabin sites. In addition, 170 subdivision lots remained available for purchase "over-the-counter" from previous years. In total FY 02 was approximately a 1000% increase from FY 01(294 parcels offered in FY01, 2710 parcels offered in FY02). In FY 03, the Division expects to offer a similar amount again: approximately 2,500 subdivision lots and 250 remote recreation cabin sites. In addition, surveyed parcels that remained unsold from FY 02 will remain available for purchase "over-the-counter" at DNR.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

This program makes land available for private ownership. Tasks include: Offer new land for sale; identify and classify additional lands for private ownership; and administer land sale contracts for lands previously offered. In FY 03, the Division expects to generate \$2.8 million from land sales, which is more than pays for the program and will provide a return to Alaskans.

Measure:

Water Development - The number of water right files processed as compared to the number of water rights applied for.

Sec 112(b)(5) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

In FY 01, the Division was unable to process all of the water right applications it received. Specifically, the Division received approximately 250 applications and was able to process only 100. The Division was able to process all 151 temporary water applications it received. In FY 01, the Division had a backlog of between 600 and 700 water right applications, and approximately 3,000 total actions (including amendments, transfers, extensions, etc.). As a result of the funding changes made by the 2001 legislature, the Division expects to achieve the following performance goals before the start of FY 03: process the typical water right within 60 days and the typical temporary water use permit within 20 days. Within 5 years, the Division expects to eliminate of the backlog except for instream flow applications. The Division expects to process 2-3 instream flow applications each year.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

To meet the performance goals described above, the Division will, in FY02, use the funding supplied by the 2001 legislature, to adopt streamlining regulations to allow it to conduct its water management operations more efficiently, and will promulgate new fee regulations.

Measure:

Water Development - The percentage change in the number of periodic dam safety inspections.
Sec 112(b)(6) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

In FY 01, the Division completed 7 periodic safety inspections. It expects to complete 11 in FY 02, and 12 in FY 03. These numbers represent is a 57% increase from FY 01 to FY 02, and a 9% increase to FY 03. However, the increase does not necessarily represent an increase in efficiency. Periodic safety inspections are scheduled by statute. Thus, seven dams had their periodic safety inspection come due in FY 01, eleven in FY 02, and one more in FY 03.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

Authorizations and inspections are the basic tools to insure that dams under state jurisdiction remain safe and protect downstream life and property.

Measure:

Claims, Permits & Leases - The percentage change in the number of active placer, lode, and coal mines and the number of mining locations staked and processed.
Sec 112(b)(7) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Placer mines: During the 2000 calendar year, 346 were permitted; 2001 calendar year, 301 were permitted (a 13% decrease); in calendar year 2002 we expect approximately the same number of placer mines.

In FY 00, there were 3 large (lode) mines operating in the state: Greens Creek, Red Dog, and Fort Knox. In FY 01, the Illinois Creek Gold Mine resumed operation, and the division approved permits for the True North Gold Mine, a satellite mine to Fort Knox. In FY 02, the Division may approve revisions that extend the area or life of mine plans, but it does not expect applications or approvals for new large mines. In FY 03, the Division expects to finish permitting for the Pogo Mine Project.

In FY 01, the Usibelli complex had three operating coal mines. There was no change from FY 00. In FY 03, the Division expects to finish permitting for the new Rosalie Coal Mine near Healy.

The number of new mining claims no longer accurately reflects the amount of staking activity. Since the legislature's 2000 amendments to Alaska's mining law became August 2000, miners have had the ability to stake either 40-acre or 160-acre claims. For that reason, the *number* of claims no longer accurately reflects the amount of new staking activity. New claim *acreage* is a better indicator. Acreage staked is not yet available for FY 01. The information is being compiled and should be available by the start of the legislative session.

The number of new and total claims by calendar year is listed below. The information is taken from Table 5 of the *Alaska Mineral Industry 2000* published by DNR in cooperation with the Department of Community and Economic Development.

Year	New Claims	Total Active Claims
2000	5,088	54,983
1999	11,977	56,673
1998	9,786	50,464
1997	8,671	43,968

1996	9,495	37,843
1995	4,508	31,796
1994	4,064	35,184

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

With respect to placer mines, the state expects to gain placer mines as federal mines convert to state ownership to escape increasingly complex and difficult federal rules. The Division's role in expediting that process is to maintain its current workable permitting system and to expedite the conveyance (from federal to state). With respect to large lode mines, the state recently authorized the True North Gold Mine as a satellite mine to Fort Knox. It is currently coordinating state permitting efforts for the Pogo Gold Project. With respect to coal mines, the state is permitting a new coal mine in Healy Valley and may work on a major revision to Wishbone Hill, which will make coal from the Matanuska field more likely to be mined. Finally, the increase in service for claim processing has been discussed extensively in the budget submission for the Claims, Permits and Leases component.

Measure:

Geological Development - The total value of Alaska's mineral industry.

Sec 113(b)(1) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Maintaining the total value of Alaska's mineral industry at greater than \$1.0 billion dollars is an important target for Alaska. This target is expected to rise as newly discovered deposits move from initial development to full production. It is significant that in spite of three very difficult years for the worldwide mining industry, the value of Alaska's mineral industry has remained above the target. In Calendar year 2000, the annual value of Alaska's mineral industry was \$1.28 billion.

Statistics for this measure are compiled on a calendar year basis and will not be complete prior to April 15, 2002 when companies file their final income tax reports. Preliminary figures will be compiled from questionnaires and public sources by early January. Anecdotal information as of November 1, indicates that this measure will be met in FY2002.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

The strength of the Alaska mining industry is the result of a working partnership involving the Administration, State Legislature, and the private sector. Many programs in DNR compliment one another to support active exploration for and development of Alaska's mineral resources. DGGs contributes to this effort by generating the fundamental geophysical and geologic data needed to effectively explore highly prospective tracts of mineral terrain. We have also shortened cycle times for getting new geologic and geophysical information into the public domain. Through cooperative programs with federal agencies we are moving massive amounts of geologic data onto the Internet where it is more readily available to catalyze Alaska mineral resource ventures. Good geologic and geophysical data combined with a welcoming business environment have been effective inducements for major capitol investment in Alaska's mineral industry. DGGs intends to continue to seek ways of effectively producing the geologic information needed to maintain this investment in Alaska.

Measure:

Geological Development - The number of acres of ground under private-sector exploration.

Sec 113(b)(2) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Based upon the trend of claim data from 1993 to 1998, it was expected that by the end of calendar year 1999 there would be about 3.8 million acres of ground subject to active private -sector exploration in Alaska. This corresponds to about 1% of the state's land area. In calendar year 1999, 3,692,680 acres of ground were being held in active state

and federal mining claims and state prospecting sites. In calendar year 2000, 3,301,880 acres of ground were being held in active state and federal mining claims and state prospecting sites. In both years Mineral exploration was also occurring on an additional unknown number of acres not recorded under any form of land tenure system. Thus we believe that between 3.3 and 3.8 million acres of ground are now under active exploration.

Final numbers for this measure are compiled on a calendar year basis and will be completed in early January in order to capture all late claim filings in both the state and federal systems. Preliminary numbers suggest that the total number of active state and federal mining claims in Alaska will probably show a slight decrease for 2002 to about 3.1 million acres. This decrease reflects both world economic conditions and the lack of new airborne geophysical surveys on large state land tracts in 2001.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

The growth of the mining industry in Alaska has resulted from the complementary actions of the Administration, State Legislature, and the private sector. Annual funding of airborne geophysical/geological mineral inventories of prospective mineral tracts, in combination with Alaska's mine development tax incentive and outreach from the Governor's office, has been a significant catalyzing factor. There are many remaining high mineral potential tracts throughout rural Alaska that offer the opportunity for successful mineral exploration, mine development and employment opportunity if the fundamental geological and geophysical data needed to guide exploration are generated and made available. DGGs plans to continue concentrating its mineral appraisal resources on these highly prospective areas to generate the needed data. In previous years the announcement of the pending geophysical survey has stimulated considerable new private-sector exploration activity. The CIP appropriation for airborne geophysical surveys of state lands during FY01 did not reach the threshold needed to conduct a cost effective survey. Thus no state-sponsored geophysical survey was conducted in FY01. State-sponsored airborne geophysical surveys were conducted in three areas early in FY02.

Measure:

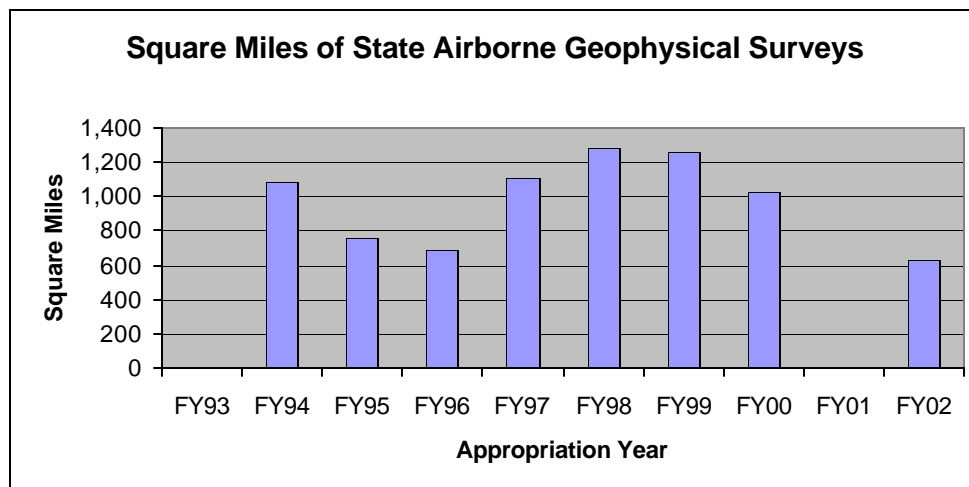
Geological Development - The number of completed geophysical/geological mineral surveys of at least 1000 square miles of Alaska land.

Sec 113(b)(3) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The 1000 square mile is a challenging target given the staff size and funding available to DGGs. In FY2001, DGGs completed 1240 square miles of federally sponsored airborne geophysical surveys and 808 square miles of geological ground-truth mapping.

Because of an approximately 40 percent increase in the cost of airborne geophysical contracts, DGGs will be able to secure only 630 square miles of new airborne geophysical data on state land in 2002. DGGs is on track to release 1000 square miles of combined mineral and energy ground-truth geologic mapping in 2002.



Benchmark Comparisons:

DGGS intends to maintain this performance measure unchanged for FY2003. We are pursuing complementary federal funding and cooperative agreements with federal agencies in an attempt to acquire resources needed to increase the square miles of geologic ground-truth mapping in geophysical survey tracts that can be completed in a fiscal year. The magnitude of the square miles of airborne geophysical surveys that can be completed in one year is a function of CIP appropriations. A tract of 1000 square miles is in good balance with historic funding, public expectations, and a level of commitment that is effective in catalyzing investment in Alaska's mineral industry. Costs of conducting both airborne geophysical surveys and ground-truth geologic surveys have escalated sharply in the last 18 months, in large part because of increased helicopter contract costs. In FY01 the airborne geophysical CIP appropriation was below the threshold needed to conduct a cost efficient survey. Thus no predominantly state-owned mineral tract was surveyed in FY01. DGGS was able to secure a commitment of federal funds to geophysically survey about 1240 square miles of a mixed ownership (federal - Native Corporation - state) land in southwest Alaska. Because of the ownership pattern of that land, however, we do not believe that this airborne geophysical data will have the same impact on exploration investment, as would a survey over predominantly state lands where access is more open and right of tenure is more certain.

Measure:

Geological Development - The new acres of ground explored by the private sector for oil and gas resources.
Sec 113(b)(4) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

DGGS data and information generated by the division's energy resource assessment project contributed to 938,701 acres of additional ground being acquired by the private sector for focused oil or gas exploration

Because Cook Inlet oil and gas lease sales are held in May, we do not have FY02 statistics for that area. To date, northern Alaska lease sales have resulted in 1,535,400 new acres of ground being acquired for active exploration (496,760 – North Slope; 60,080 – Beaufort Sea; 978,560 – North Slope Foot Hills).

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

The DGGS energy resource assessment project is focused on identifying and filling critical data gaps in the geologic framework of highly prospective areas to encourage new private sector exploration ventures and maintain a healthy oil industry in Alaska. Under the area-wide lease process initiated in 1998, companies are developing new exploration strategies and fiscal plans for all state acreage available on the North Slope, Beaufort Sea and Cook Inlet areas. The state's energy resource assessment project provides essential geologic framework information requisite for valuing their bids for competitive leases upon these lands and to guide subsequent exploration. Geologic information provided by the state for prospective petroleum exploration areas will increase in importance in the years to come if the state is successful in attracting smaller oil companies with less capital to Alaska.

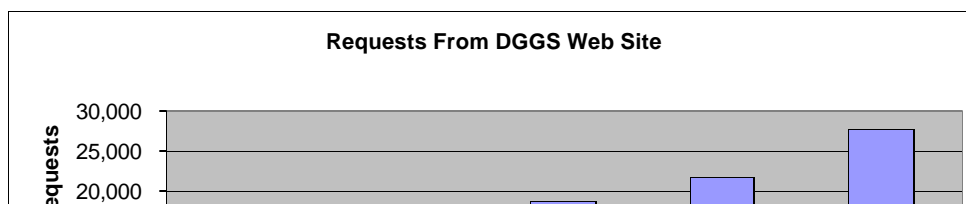
Measure:

Geological Development - The number of users requesting information on the geology of Alaska from the DGGS web site.
Sec 113(b)(5) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

The DGGS Web site came on line during FY96. Since that time usage has risen steadily. There is an increasing demand from the users of Alaska geologic data for more DGGS data on the Internet. We expect that demand will continue to rise but we do not know what level to set as a benchmark. As an initial estimate, in mid-FY00 we forecast 20,000 Internet contacts for FY01. By the end of FY01 we had 27,731 users who sought information on the DGGS Web site.

Statistics for this measure are compiled on a fiscal-year basis. As of November 1, 2001 DGGS received 12, 634 external Internet inquiries. We expect to exceed the 27,000 inquiries that we received in FY01.



The main object of the DGGS Web site is to supply geologic information collected by DGGS to the public at large, including industry, government agencies, and private citizens, as quickly and completely as is feasible. Currently one can locate, read, and download all of DGGS's maps and reports over the Internet. DGGS is now in the process of constructing a geologic database management system that will allow the public to access a wider range of fundamental data files that can be downloaded for in depth analysis. We expect that when this database management system is complete, the Web site will become a primary avenue for securing Alaska geologic resource and engineering geologic data. It is our intent that the cost of this data will be nominal or free to the public. We will continue to provide paper-based products to those that request them, but we believe that the Internet access to DGGS geologic information will have a significant positive impact in reaching Alaskans, and others, that can never be matched by conventional paper maps and reports.

Measure:

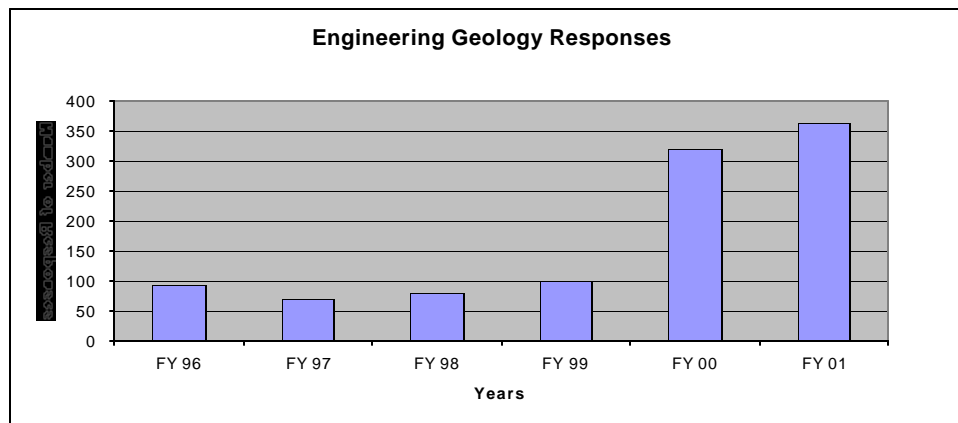
Geological Development - The number of responses made by the division to requests for information or assistance relating to engineering geology or hazards in the state.

Sec 113(b)(6) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Even before DGGS began keeping records of these responses in FY96, it was clear that there was a high demand for this service, which consistently required on the order of 70-80 responses per year. This demand has been increasing and in mid FY00 we estimated that the number of requests would continue to exceed 100 per year. By the end of FY01 the actual recorded responses were 365.

This measure is compiled on a fiscal year basis and has been increasing for the past two years. We expect that it will continue to increase through FY2002. We, therefore, have no fixed target but we expect this measure to at least match the FY01 figure of 365.



Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

A significant component of the workload in DGGS' Engineering Geology section now entails providing timely responses to requests for information and technical assistance on hazards like earthquakes, landslides, and permafrost. Additionally, DGGS fields requests regarding engineering characteristics of geologic materials with regard to aggregate resources and foundation conditions. During FY01, DGGS experienced a marked increase in requests to review land use permit requests for their adequacy in addressing engineering geology and geologic hazard issues. These requests come from other DNR divisions, other state agencies like Transportation & Public Facilities, Emergency Services, and Community & Economic Development, private geotechnical consultants, local governments, schools, and individuals. Nearly all requests require research to locate the area of concern, compile applicable geologic maps and other literature, and formulate a reasoned response. Rather than viewing these requests as troublesome diversions from our scheduled project work, DGGS sees them as an indication of need for better planning and design information and as an opportunity to help reduce long-term costs of responding to and rebuilding unnecessarily from events that can be anticipated and designed for. DGGS intends to improve awareness of the needs

for engineering-geologic information and will continue to make these increasing requests a priority while at the same time not sacrificing our commitments to scheduled project work.

Measure:

The number of acres of land acquired toward the Statehood Entitlement.

Alaska's Target & Progress:

In FY 01, the state received 7,698 acres toward its statehood entitlement from BLM. For FY02, DNR expects to receive approximately 550,000 acres. This large conveyance is due to two unusual large-block conveyances: the first for an area of the Brooks Range foothills for an oil and gas lease sale, and the second for the eastern portion of the Denali Block requested for its mineral values. In FY 03, the gain in entitlement acreage is likely to be only 5,000 acres. This small amount represents the trend for DNR to request individual parcels that are needed for a specific economic development activity, rather than the large areas for more speculative resource value purposes that were conveyed in the past. With the exception of FY 02, we are now getting more parcels, but less acreage.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

In FY 03, receipt of this land will require review of approximately 400 BLM decisions to ensure that clear title is established with appropriate access, to protect public access. Many, approximately 10-20% of the BLM decisions will be challenged or changed through negotiations to ensure that the state receives clear title and appropriate access.

Parks and Recreation Management Budget Request Unit

Contact: Jim Stratton, Director

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Key Performance Measures for FY2003

Measure:

Parks Management - The percentage of park facilities open.
Sec 114(b)(1) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

To keep the park facilities open 100% during the scheduled season for each unit.

Benchmark Comparisons:

There is no benchmark for this measure. Other States have budget problems which force closure of Park Units, but no State Park system is alike.

Background and Strategies:

There are 121 park units currently open to the public. Our strategy is to keep these units safe, clean, and properly maintained. We employ over 700 volunteers and 60 summer seasonal Alaska Conservation Corps staff, as well as our permanent park staff, combined with contracts with private vendors in order to make visits to Alaska State Parks a safe and enjoyable experience. To meet this goal, staff and operational support are necessary at some level at all sites.

In previous years, some actions were taken in response to tight budget situations:

In 2000, one park unit, (Little Tonsina State Recreation Site) was closed. Some units opened late, and others closed early.

In 1999, one park unit (Wolf Lake State Recreation Site) was closed. Others were opened late, and closed early.

In 1998, 1997, selected units were closed early or opened late.

In 1996 - one park unit (Moose Creek State Recreation Site) was closed.

In 1995 - two park units (Centennial Lake, Anchor River State Recreation Site) were closed.

In 2001/2002, many other state park systems in the Lower 48 are experiencing budget tightening and are closing parks. Tennessee announced 4 park closings in fall 2001. Iowa is closing portions of some of their units.

Measure:

Parks Management - The number of visits by site and type of visit.
Sec 114(b)(2) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

While we can't predict the factors that influence visitation (fish runs, weather, gas prices, etc), our target is to sustain and/or increase the number of park visits each year.

In FY01 we received 4.1 million recreational visits to one or more of our 121 facilities, broken down in 3.1 million resident visits and roughly 1.0 million non-residents visits in the following areas:

State Area	Resident	Non-Resident	Total
Northern	437,980	206,737	644,717
Mat-Su/CB	720,103	252,150	972,253
Chugach	860,597	105,061	965,658
Kenai/PWS	685,711	122,050	807,761
Kodiak	155,950	36,444	192,394
Wood-Tikchik	86,413	16,055	102,468
Southeast	230,569	245,656	476,225

Total	3,177,323	984,153	4,161,476
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Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

The number of visitors is difficult to define as many of them are repeat customers, so we measure the number of visits by site. All of this is captured in a very detailed "Cluster" booklet, which is available upon request.

Measure:

State Historic Preservation - The percentage of reported identified historic properties entered on the state inventory. Sec 114(b)(3) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

Targets:

Identify: 1,000 new sites reported

Document: 400 new sites entered into inventory, 350 site entries updated

Evaluate: 200 properties for historic significance

With current staff the percentage is expected to be at 65%.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

Identifying, evaluating and documenting historic sites and buildings provides information on historic significance, which is used to protect sites potentially impacted by development or to identify opportunities for heritage tourism development. These activities are an integral part of the national historic preservation program the Office of History and Archaeology administers.

State Historic Preservation offices develop and maintain inventories of historic and prehistoric properties. In Alaska, this process has relied mainly on information provided by local governments and federal agencies. The information is stored in both electronic and paper formats.

Measure:

Parks Management - The amount of dollars generated from sources other than the state government for trail maintenance and site development.

Sec 114(b)(4) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

To secure a continued increase in the amount of federal and private dollars available for park facility development and trail maintenance.

1999	\$728.0	Available
2000	\$857.0	Available
2001	\$946.0	Available
2002	\$1,334.0	Estimate Available

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

While we cannot control the amount of money coming to Parks from the federal government through National

Recreation Trail and Land and Water Conservation Fund grants, we can continue to educate local governments, trail clubs, and other decision makers about the importance of these programs to Alaska. We expect to see \$1,500.00 in 2003.

These figures do not include funds received from the federal highway administration through DOT or sportfish access funds through ADF&G. We regularly do millions of dollars of construction, through contracts with the private sector. During summer of 2002, we expect to have over \$15 million of projects in the works. However, these funds come into the state budget through DOT and ADF&G, so are not reflected here.

Measure:

Parks Management - The level of deferred maintenance in state parks.
Sec 114(b)(5) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

To steadily reduce the identified \$42 million in deferred maintenance and ADA upgrades in the park system.

Inventory of Deferred Maintenance in state parks:

1998 - \$35 million in deferred maintenance identified in division facility summary

2001 - \$42 million in deferred maintenance identified in division facility summary

Funding to address this Deferred Maintenance:

1996 - No funds for maintenance

1997 - \$150.0 in CIP for emergency repairs

1998 - \$200.0 in CIP for emergency repairs

1999 - \$200.0 in CIP for emergency repairs

2000 - \$200.0 in CIP for emergency repairs

2001 - \$286.0 in CIP for emergency repairs

2001 - \$168.0 in CIP for Park upgrades

2002 - \$286.0 in CIP for emergency repairs

At the current rate of funding our inventory of deferred maintenance will continue to grow.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

Parks has been unable to address this growing backlog due to lack of CIP funds. For the years 1996 to 2002, Parks averaged only \$212.0 annually in the capital budget for deferred maintenance and then only for those repairs tied to health and human safety. Some facilities that are along a highway corridor can be upgraded with Federal Highway - TEA 21 funds so long as we fit the TEA 21 criteria. Campgrounds CANNOT be built or upgraded with TEA 21 funds. Parks has been successful in addressing some of its needs through this channel and will continue to do so. Facilities that involve powerboat and angler access can be fixed with our partnership with ADF&G for federal sportfish access funds for boat launch ramps.

Funds from TEA 21 and ADF&G, however, do not cover the majority of our deferred maintenance needs. Parks needs significant funds dedicated to this problem. The use of federal Land & water Conservation fund moneys can only be used for facility development if the state provides a 50% match. In addition to LWCF, Parks could address these problems through funds raised by bonds.

Agricultural Development Budget Request Unit

Contact: Robert Wells, Director

Tel: (907) 761-3867 **Fax:** (907) 745-7112 **E-mail:** Robert_Wells@dnr.state.ak.us

Key Performance Measures for FY2003

Measure:

Plant Material Center - The number of improved crop accessions produced by the Plant Materials Center and grown in the state.

Sec 115(b)(2) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

New crop collections grown on the PMC are 52 in initial stage, 12 in the intermediate stage and 14 in the final stage. Grown at the PMC Nursery are 18 in the research stage. Potatoes – 224 varieties are maintained on PMC soil, 86 varieties are in tissue culture, 44 varieties are in greenhouse production, and 104 varieties were sold to producers. Grain – 26 varieties.

The Plant Materials Center (PMC) documents field plantings and records planting sites. We also list sales and production in the annual report. The PMC tests and develops new crops for industry. We have an extensive program in new crop development. This is the basic purpose of the PMC. By doing demonstration projects, we market commercial production. By developing revegetation specifications, we market seed produced in Alaska. We are the state's repository for Alaska developed crops.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

Seed production is a viable aspect of agriculture in Alaska. This includes both seed potatoes and true seed of grass and grain. The total value of seed production has not been achieved in the state. Demand continues to grow while supply is not keeping pace. This is an endeavor where competition from other areas can be non-existent.

We have two new large-scale commercial seed growers and distributed seed to eighteen, small-scale seed producers. We are on track with the missions and measures. However, hiring and retaining agronomists is a problem. Qualified people are not applying for the posted jobs and we lost one agronomist who left for a higher paying job. If this trend continues, it will be difficult to meet the missions and measures in the future.

Measure:

Agricultural Development - The percentage of total available agricultural acreage placed in production.

Sec 115(b)(3) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

We are unable to report on the legislatively designated measure since statistics are not available to accomplish this as written.

There are currently approximately 910,000 acres of land in farms as reported by the USDA, NASS Alaska Ag Statistics. The 1992 Census of Agriculture, produced every five years, showed 927,415 Alaska acres in farms in 1992, and 881,045 acres in farms in 1997. The last reported number of 910,000 acres means that we are gaining back the acres lost between 1992 and 1997.

An increase of total acreage is the goal; however, population increase and encroachment on agricultural land make this a challenge.

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

We are unable to report on the legislatively designated measure since statistics are not available to accomplish this as written. We propose the following measure: The number of acres of agricultural land in farms.

Selling new land will be critical to continued agriculture development but will be difficult due to the investment required.

Because clearing land to place in production is a multiple year process this measure is difficult to quantify. Agricultural statistics are on a one-year lagging schedule over multiple budget cycles. Our disposals should show a net increase placed in production.

Measure:

Agricultural Development - The monetary value of agricultural products grown in the state that are sold domestically or exported.

Sec 115(b)(4) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

1997 - \$28,468,000
1998 - \$27,511,000
1999 - \$28,352,000
2000 - \$26,512,000
2001 -Total not available

Over a five-year to ten-year period we would like to show an average increase of 2 to 3 percent. The national averages have struggled over the last five years to show any net increase. Because Alaska agriculture is still in a development phase we hope to show small annual increases.

The split between sold domestically and exported is not a readily available number. We are working on ways to get the value broken out as requested by the legislature.

Benchmark Comparisons:

The national averages have struggled over the last five years to show any net increase. Because Alaska agriculture is still in a development phase we hope to show small annual increases.

Background and Strategies:

The statistics are always one year behind the current year. We pull the number from Alaska Cash Receipts from Farm Marketing excluding the Aquaculture industry. USDA statistics are unable to track instate or export sales. We suspect exports are in the less than 1% range of total cash receipts.

We expect increases each year but the last three reporting years show this number can quickly change due to weather conditions, marketing factors, plant or animal disease, or other factors that affect our ability to assist the industry.

Adverse weather conditions in South Central and the Interior adversely affected the 2000 growing season; thus, the monetary value fell. Weather will always play a major factor in this measure.

BRU/Component: Agriculture Revolving Loan Program Administration

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

Contact: Robert Wells, Director

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Key Performance Measures for FY2003

Measure:

The loan to equity ratio in the Agricultural Revolving Loan Fund.
Sec 115(b)(1) Ch 90 SLA 2001(HB 250)

Alaska's Target & Progress:

ARLF Loan to Equity Ratio:

September 00 - 28.9% - ratio is 1:3.46

September 01 - 27.95% - ratio is 1:3.58

The Board of Agriculture and Conservation has expressed interest in increasing the amount of funds loaned to generate additional income for the fund. We are beginning to see a slight increase in this ratio, which we hope to reverse with more loans being issued with the proceeds from sold repossessed property.

No specific target has been set as concerns for the cash flow will limit the number of loans that can be issued.

As of September 30, 2001 the numbers are:

Outstanding ARLF loans - \$7,740,395

Equity \$ 27,693,038

Benchmark Comparisons:

There is no benchmark for this measure.

Background and Strategies:

Due to rapid development policies twenty years ago the Agricultural Revolving Loan Fund loaned money to borrowers who were unable to repay. A large repossessed portfolio resulted which required increased work to maintain the assets.

We continue to sell these assets at a responsible rate thus bringing them back into production. This helps maintain the fund balance through liquid assets and decreases maintenance responsibilities, allowing us to focus on lending and program enhancement.

BRU/Component: RS 2477/Navigability Assertions and Litigation Support

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

Contact: Nancy Welch, Deputy Director

Tel: (907) 269-8501 **Fax:** (907) 269-8904 **E-mail:** nancywe@dnr.state.ak.us

Key Performance Measures for FY2003

Measure:

RS 2477 case file summaries completed.

Benchmark Comparisons:

In FY00, the division completed 2 case file summaries and responded to requests for information and further research to the Department of Fish and Game.

Background and Strategies:

Continue to conduct research and respond to public requests as information becomes available. In FY02, expect to complete two RS 2477s for report to the legislature in January 2003.

Measure:

Number of actions taken for RS 2477 assertion/litigation support.

Benchmark Comparisons:

In FY00, the division responded to 3 litigation actions, including the proposed settlement for Harrison Creek-Portage Creek litigation between the State and the Federal government.

Background and Strategies:

Continue to provide litigation support as necessary and begin one new case in federal court.

Measure:

Number of actions taken for navigability assertion/litigation support.

Benchmark Comparisons:

In FY00, the division completed 70 actions in response to litigation, assertions, and review of federal actions.

Background and Strategies:

Continue to conduct research and respond to public requests as information becomes available. In FY02, expect to complete 75 actions.

BRU/Component: Fire Suppression

(There is only one component in this BRU. To reduce duplicate information, we did not print a separate BRU section.)

Contact: Jeff J. Jahnke, State Forester

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Key Performance Measures for FY2003**Measure:**

The target is to reduce the number of wildland fires that are human caused, within the Division's protection areas.

Alaska's Target & Progress:

This target may not accurately reflect the success of fire prevention. A more accurate target may be "The number of fires that result from human actions, whether as a function of population growth or other causes."

Statistical review of data for the past 16 years is provided in the following chart.

STATE PROTECTION AREA	2000	1999	1998	1997	1996	1995	1994	1993
TOTAL FIRES	260	333	338	558	565	327	446	535
HUMAN CAUSED	247	302	322	373	511	298	373	430
% HUMAN CAUSED	95.0%	90.7%	95.3%	66.8%	90.4%	91.1%	83.6%	80.4%
STATE PROTECTION AREA	1992	1991	1990	1989	1988	1987	1986	1985
TOTAL FIRES	332	493	460	429	321	489	507	319
HUMAN CAUSED	321	363	312	410	275	453	383	278
% HUMAN CAUSED	96.7%	73.6%	67.8%	95.6%	85.7%	92.6%	75.5%	87.1%

This data shows that in low fire occurrence years, such as 1999 and 2000, the ratio as a percent between human caused and total fires is not a good indicator of prevention effectiveness. The relationship of high and low fire years is not as important as the role of lightning fires. In high fire years the total number of fires is much higher due to lightning caused fires, so the percentage of human caused fires is less. The actual number of human caused fires may not vary significantly. Thus, using a percentage is more reflective of the high or low lightning fire year (total number of fires) than the effectiveness of prevention in decreasing human caused fires. This target will be evaluated this fiscal year and will be changed as needed to more accurately reflect prevention effectiveness on human caused fires.

Benchmark Comparisons:

There are no comparable situations in other states with which to provide a benchmark.

Background and Strategies:

Wildland and wildland/urban interface fire occurrence and costs can be reduced to the extent that they can be prevented. Since a large percentage of the fires are human caused within Forestry's protection area (FY01 83%), the strategy is to target the urban areas, road system and railbelt with a fire prevention and awareness program.